Quiz 8-10-16  
Chapter 12 – Public Policy in Texas  
  
1. Adjusting for population and inflation, state spending grew at an average annual rate of \_\_\_\_\_\_\_\_\_ percent over the last 20 years.   
a. 2.5   
b. 0.8.   
c. 4   
d. 20   
  
2. Broad-based taxes collected on the retail price of most items are called   
a. general sales taxes..   
b. ad valorem taxes.   
c. user taxes.   
d. hidden taxes.   
  
3. Texas’s largest single individual revenue source is   
a. general sales tax.   
b. selective sales tax.   
c. federal funds..   
d. gross receipts taxes.   
  
4. What taxes are the major source of revenue for virtually all local government, cities, counties, and special duties?   
a. Property.   
b. Ad valorem   
c. Severance   
d. Selective sales   
  
5. Which of the following has occurred because of Texas’s state government-imposed mandates on local governments?   
a. Both state and local taxes have remained high.   
b. State taxes have remained high, but local taxes are lower than in many states.   
c. State taxes have remained low, but local taxes are higher than in many states..   
d. Texas does not impose unfunded mandates on local governments. 